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THE

Tobacco

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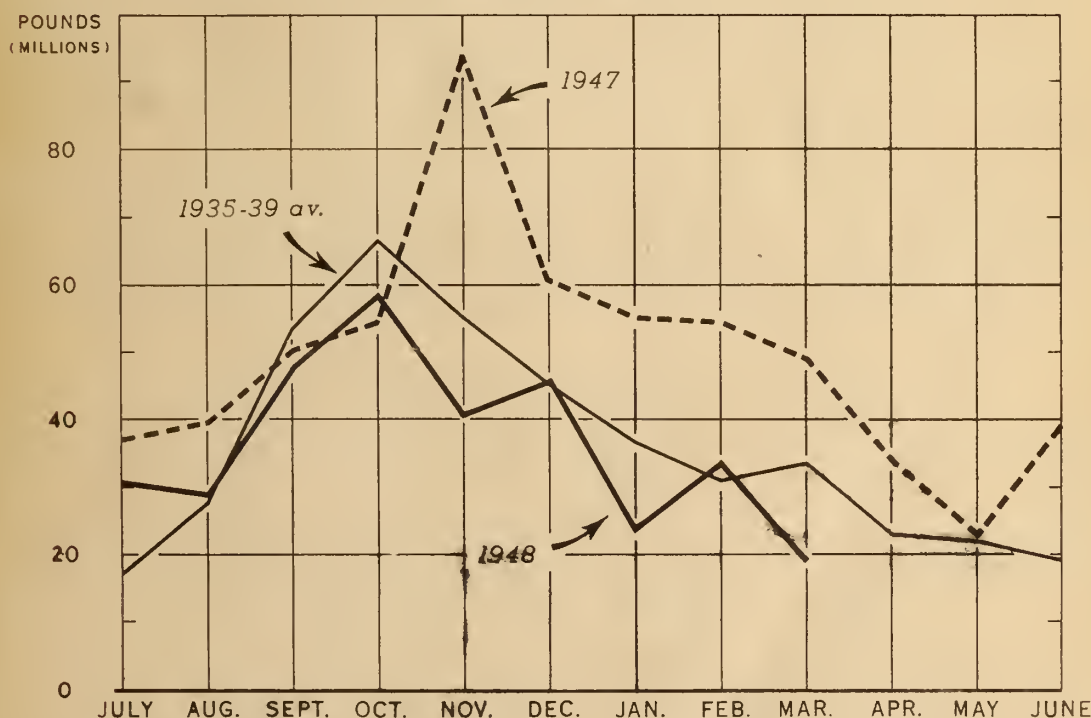
SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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BAE

APRIL 1948

UNITED STATES EXPORTS OF UNMANUFACTURED TOBACCO, 1948
COMPARED WITH 1947 AND THE 1935-39 AVERAGE
(FISCAL YEARS)

U. S. DEPARTMENT OF AGRICULTURE

NEG. 46714 BUREAU OF AGRICULTURAL ECONOMICS

Since mid-1947, United States monthly exports of unmanufactured tobacco have dropped below those of the same months of the preceding year, except for October 1947 when they were slightly above October 1946. From November to March 1947-48, unmanufactured tobacco exports were 48 percent lower than in the same period of 1946-47 and 20 percent lower than the corresponding average from 1934-35 to 1938-39. The lower exports during the past nine months is largely due to the shortage of dollar exchange available to important foreign customers of United States tobacco. The European Recovery Program will be an important factor in raising United States tobacco exports above prewar levels during the year ahead.

STATISTICAL SUMMARY

Item	Unit or base period	1946-47				1947-48				Last data available as percent of a year earlier
		Dec.	Jan.	Feb.	Mar.	Dec.	Jan.	Feb.	Mar.	
Prices received at auctions	Cents per pound									
Flue-cured	do	1/	35.2	33.3	1/	35.4	30.0	1/	1/	85
Burley	do	40.9	40.1	35.5	24.8	48.8	48.2	41.4	1/	117
Fire-cured	do	31.4	26.9	26.2	24.8	27.4	29.2	29.4	29.0	117
Dark air-cured	do	22.9	23.3	21.5	19.6	25.5	26.2	25.8	23.7	121
Parity Prices										
Flue-cured	do	41.2	41.7	42.8	44.0	48.1	48.8	48.1	48.1	109
Burley	do	40.0	40.4	41.5	42.6	46.6	47.3	46.6	46.6	109
Fire-cured	do	19.2	19.3	19.9	20.4	22.3	22.6	22.3	22.3	109
Dark air-cured (35-36)	do	15.4	15.5	15.9	16.4	17.9	18.1	17.9	17.9	109
Virginia sun-cured (37)	do	20.6	20.7	21.3	21.9	23.9	24.2	23.9	23.9	109
Index of Prices Paid	2/ 1919-28=100	141	142	146	150	164	166	164	164	109
	3/ 1934-38=100	180	182	187	192	210	213	210	210	109
Tax-paid Withdrawals										
Cigarettes, small 4/	Million	22,695	28,451	26,338	26,336	24,799	27,278	23,349	29,154	111
Cigars, large 4/	do	471	513	447	427	447	461	461	470	110
Chewing and Smoking Snuff	Million pounds: do	14 3.3	17 3.4	14 2.9	16 3.1	13 2.5	16 3.9	15 3.4	17 3.6	106 116
Accumulated since Jan. 1										
Cigarettes, small 4/	Million	321,474	28,451	54,789	81,125	335,964	27,278	50,628	79,782	98
Cigars, large 4/	do	5,914	513	960	1,387	5,631	461	922	1,392	100
Chewing and Smoking Snuff	Million pounds: do	211 40	17 3	31 6	47 9	199 39	16 4	30 7	47 11	100 122
Cigarettes, tax-free	Million	2,959	3,519	2,723	3,243	2,997	3,213	3,578		131
Accumulated since Jan. 1										
Tax-free	do	31,049	3,519	6,242	9,484	34,151	3,213	6,790		109
Tax-paid plus tax-free	do	352,523	31,969	61,031	90,609	370,115	30,491	57,418		94
Stocks, beginning of quarter 5/ (farm-sales weight)										
Flue-cured	Million Pounds		1,730				1,973			114
Burley	do		921				1,096			119
Maryland	do		32				45			141
Fire-cured	do		90				131			146
Dark air-cured	do		69				79			114
Cigar, filler	do		110				105			95
Cigar, binder	do		102				124			122
Cigar, wrapper	do		20				23			115
Exports (farm-sales wt.)										
Flue-cured	Thousand	62,226	55,601	57,269	49,743	44,570	22,253	30,152	18,439	37
Burley	pounds	2,739	2,214	1,776	2,842	1,457	501	2,285	648	23
Maryland	do	430	420	413	515	456	63	736	260	50
Fire-cured	do	2,721	2,919	2,195	1,465	2,416	2,355	2,036	1,225	84
Dark air-cured	do	406	626	453	659	442	434	666	313	47
Cigar	do	512	458	246	448	785	172	928	258	58
Total 6/	do	69,066	62,241	62,352	55,675	50,127	25,793	36,825	21,143	38
Accumulated since begin- ning of crop year										
Flue-cured	do	313,233	368,834	426,103	475,846	220,661	242,912	273,064	291,504	61
Burley	do	9,822	12,035	13,811	16,654	9,293	9,794	12,078	12,727	76
Maryland	do	1,610	1,420	438	1,347	6,581	1/ 63	736	1,059	49
Fire-cured	do	9,075	11,571	13,765	15,230	7,923	10,277	12,312	13,538	89
Dark air-cured	do	967	2,016	2,469	3,127	1,750	2,186	2,850	3,163	101
Cigar	do	1,285	1,743	1,989	2,437	2,539	2,712	3,640	3,898	160
Personal Income 8/	Bill. dol.	190	189	190	191	210	211	207		109
Index of Industrial Production 2/	1935-39=100	180	184	185	187	189	189	190	189	101
Percent of Labor Force Employed	Monthly	96.4	95.8	95.7	96.0	97.2	96.5	95.6	95.9	100

1/ Closed. 2/ All types except flue-cured 11-14 and Burley 31. 3/ Flue-cured 11-14 and Burley 31. 4/ Includes Puerto Rico. 5/ Stocks for January 1, 1948, are preliminary. 6/ Includes a small amount of Perique. 7/ Beginning of crop year. 8/ Seasonally adjusted monthly totals at annual rate. 9/ Unadjusted.

T O B A C C O S I T U A T I O N

Approved by the Outlook and Situation Board April 30, 1948

SUMMARY

Farmers will produce about one-fourth less tobacco this year than last if they harvest the acres intended on March 1, and yields are average. The reduction in acreage is due mostly to smaller allotments for flue-cured, fire-cured, and dark air-cured tobacco. Large supplies of these types accumulated as exports declined.

Domestic use of tobacco will continue high because cigarette consumption will be close to last year's record. Output of other tobacco products other than cigarettes is expected to show little change from last year. The European Recovery Program is likely to increase tobacco exports in the year ahead above current levels. In the past, the United States shipped approximately three-quarters of her total tobacco exports to 15 of the 17 participating countries.

Present parity prices for tobacco are above those which determined price supports for the 1947 marketing season. The support prices for the 1948 season probably will exceed last season.

Cigarette production for the 1947-48 fiscal year is likely to be between 365 and 375 billion compared to 361 billion during 1946-47. High personal income in the months ahead would maintain a large volume of cigarette consumption. United States cigarette exports in 1947 were substantially larger than prewar, and went to 113 different countries and their possessions.

Cigar consumption during 1947-48 is expected to be nearly 5 3/4 billion, just about the same as in 1946-47. Those selling for 8 cents or less gained in recent months, and during the first quarter of 1948 comprised 42 percent of the total compared with 39 percent during the first quarter of 1947.

Smoking tobacco production during 1947-48 probably will be close to the 106 million pounds manufactured in 1946-47. Output in the last 2 years has been sharply below the 193 million pounds average for 1935-39.

Total chewing tobacco production in 1947-48 is expected to nearly equal the 100 million pounds manufactured in 1946-47. Through January of the current fiscal year, scrap chewing and twist had declined some from the same period of the previous year while plug and fine-cut held even.

Snuff consumption in 1947-48 will probably be close to 41 million pounds, or about 2 million pounds larger than in 1946-47.

United States exports of unmanufactured tobacco during the 1947-48 fiscal year are expected to be between 400 and 425 million pounds (declared weight). This is sharply lower than the 591 million pounds in 1946-47 and slightly below the average of the late thirties.

United States tobacco exports to the United Kingdom from July 1947 to February 1948 dropped 50 percent below the same period a year ago. On April 7, 1948, the British again increased the import duty on tobacco. This raised the price of a package of 20 cigarettes from 67 to 70 cents. The British Government stated that the "increase was necessary to bring to smokers' attention once again the need for economising in tobacco." United States tobacco exports to most other European countries and also to China and India dropped in the recent 8-month period compared with the same months a year ago.

Prior to the war, tobacco was the second-ranking agricultural export, but in the last 2 years has been in fifth place because of large food exports.

PRODUCTION AND CONSUMPTION OF TOBACCO PRODUCTS

Cigarettes

The production and consumption of cigarettes during the first quarter of 1948, as indicated by sales of tax-paid stamps and other data, dropped about 1 percent below the same quarter of 1947. Most of the decline from last year occurred in February. This is partly due to the fact that in early 1947, allocations to distributors by at least one large firm were discontinued and the "stocking up" that followed tended to make the February 1947 figure unusually large. In March 1948, tax-paid withdrawals of cigarettes were indicated at 29 billion compared to 26 in March 1947.

Cigarette exports during the first quarter ran ahead of last year. The Philippine Islands and Belgium were the largest takers and exports went to 111 other countries and their possessions. Other tax-free uses during the first quarter also were above last year.

For the 1947-48 fiscal year, cigarette production is likely to range from 365 to 375 billion compared to 361 billion during 1946-47. Continued high consumers' incomes during the year ahead will tend to keep cigarette consumption high.

Cigars

Domestic consumption of cigars during the first quarter of 1948 was approximately the same as the first quarter last year. Tax-paid withdrawals in January fell below January 1947, but were higher than a year earlier in both February and March. The lower-priced cigars gained about 6 percent in volume over the same period last year while medium- and higher-priced cigars dropped. According to Internal Revenue data for tax classes, those selling for 8 cents or less comprised about 42 percent of total tax-paid withdrawals during January-March 1948 compared with 39 percent a year earlier.

Since consumer income is expected to continue high, total cigar consumption during 1947-48 fiscal year probably will be nearly the same as the 5,750 million in 1946-47. The wholesale price index of popular brand cigars was slightly lower in the last half of 1947 than during the first half of the year. From December 1947 to January 1948, the index rose very little.

Smoking Tobacco

From July 1947 through January 1948, the production of smoking tobacco was 2 percent below the same period of the preceding year. For the fiscal year 1947-48, the manufacture of smoking tobacco is expected to be about as large as the 106 million pounds in 1946-47. This is 18 percent below 1945-46 when smoking tobacco consumption was larger because cigarettes were still somewhat short. A very sharp decline in smoking tobacco production and consumption has occurred since prewar. During the 5 fiscal years ending June 30, 1939, 193 million pounds were used. The expected production during the current fiscal year is only about 55 percent of that figure. The wholesale price index of smoking tobacco rose slightly during the first half of 1947. It also increased slightly from December 1947 to January 1948.

Chewing Tobacco

Total chewing tobacco production from July 1947 through January 1948 was close to 4 percent lower than the same months a year ago. Scrap chewing dropped the most--nearly 8 percent--and twist was next with about 7 percent. Plug chewing and fine-cut were about the same as in the same months a year ago. For the 1947-48 fiscal year, total chewing tobacco manufactured is expected to nearly equal the 100 million pounds produced in 1946-47. In the 5 years ending June 30, 1939, production averaged 112 million pounds. Chewing tobacco consumption will probably continue to decline gradually over the next few years as preferences of tobacco consumers continue to shift. No changes have occurred in the wholesale price index of chewing tobacco since October 1946.

Snuff

Snuff consumption from July 1947 through March 1948 was about 5 percent above the same period of the preceding year. Consumption for the 1947-48 fiscal year probably will be close to 41 million pounds or about 2 million pounds larger than in 1946-47. High employment will tend to maintain snuff consumption above the prewar average of 37 million pounds. The index of wholesale prices of snuff rose moderately during 1947.

EXPORTS 1/

United States exports of unmanufactured tobacco in 1947-48 have fallen sharply below the high rate attained during the 2 previous years. Estimated exports during the 1947-48 fiscal year probably will be between 400 and 425 million pounds compared with the 591 million in 1946-47, 536 million in 1945-46, and the 1934-35 to 1938-39 average of 430 million pounds.

Prospects for tobacco exports in 1948-49 are considerably improved by the Foreign Assistance Act of 1948 approved in early April. All of the 17 participating countries--including Western Germany--except Turkey and Greece have been importers of United States tobacco. Of the participating countries, the 4 largest importers of United States tobacco in 1934-38 were the United Kingdom, France, Netherlands, and Belgium-Luxembourg. Germany ranked fifth in 1934-38.

1/ All export figures in this section are on declared-weight basis.

Before the Hitler regime restricted international trade, however, Germany took substantially larger amounts of United States tobacco. Eire and Sweden, each taking about the same amount in 1934-38, were the next ranking customers in the European Recovery Program group of countries. Next came Portugal, Norway, Denmark, and Switzerland, each of which took nearly the same average amounts from 1934 to 1938. Before the war, Italy, like Germany, strove for self-sufficiency, and tobacco imports from the United States declined greatly from the 1920's to 1934-38. Austria, prior to being overrun by Germany in 1938, bought United States tobacco. Greece and Turkey have long been exporters of Oriental types of tobacco and did not import United States types.

Data submitted by the Committee for European Economic Cooperation indicate that substantial quantities of tobacco were wanted in connection with the European Recovery Program. The July 1948-June 1949 tobacco imports by the participating countries and their dependent territories has been estimated at 780 million pounds. The United States proportion of this total would be close to 460 million pounds or about 60 percent of the total according to present estimates. This would exceed the 1947-48 exports to these countries by the United States as tobacco exports have dropped sharply in recent months. The 1948-49 estimate is lower than actual United States exports to these countries in 1946-47 but exceeds the prewar average.

Adequate supplies of United States tobacco are available for export. In recent months, exports have dropped sharply because the lack of dollar exchange forced foreign countries to curtail their purchases.

The United Kingdom drastically increased import duties in April 1947 on leaf tobacco imports, which caused a sharp boost in the prices of tobacco products to consumers. The increased prices were intended to reduce tobacco consumption about 25 percent and thus cut down imports. Consumption from May 1947 to January 1948 actually averaged 21 percent below the same months in 1946-47. This eased the drain on diminishing dollar resources of the United Kingdom since most of the United Kingdom tobacco imports came from the United States. British stocks of tobacco at the beginning of 1948 were the same as at the beginning of 1947, but about one-fourth lower than the prewar average. With reduced imports, however, stocks in the United Kingdom would be depleted rapidly.

The United Kingdom stopped purchases of United States tobacco in October 1947. This was almost the middle of the marketing season for flue-cured, the most important export class of tobacco. Mainly because of smaller export buying, prices were near the support level for much of the season. The United Kingdom has been getting tobacco which had been purchased before October 1947. From July 1947 through February 1948, United States tobacco exports to the United Kingdom totaled 108 million pounds, about 50 percent below the same period in 1946-47 and about one-third lower than the average for the same months in 1934-39.

Another increase in the British tobacco import duty went into effect on April 7. The full duty 2/ per pound on unmanufactured tobacco (containing 10 percent or more moisture) was raised from \$11.05 to \$11.72 or by 67 cents. This meant that the cost of a package of 20 cigarettes to British consumers increased by 3 cents to 70 cents. It was stated that this increase was "necessary to bring to smokers' attention once again the need for economising in tobacco."

2/ Computed at February 1948 foreign exchange rate 403.11 cents per pound sterling.

The British budget indicated provisional receipts 2/ of 2,289 million dollars from tobacco taxes in 1947-48 and receipts in 1948-49 are estimated at 2,336 million dollars. This latter figure represents 16 percent of total estimated receipts from taxes in 1948-49. The United States, with a considerably larger population, had Federal revenues from tobacco during 1947 of 1,267 million dollars and State revenues of probably 250 to 300 million dollars.

During the last 2 calendar years, Netherlands has been the second ranking European importing country of United States tobacco. Before the war, France ranked next to the United Kingdom. Belgium-Luxembourg ranked third in the European group of countries in the past 2 years. France was the fourth largest European importer of United States tobacco in 1946, but her imports dropped sharply in 1947 and she fell to eighth place.

In the 8 months ending February 29, 1948, United States tobacco exports to most of the European countries fell below the same period of the preceding year. United States exports to the Netherlands dropped 12 percent and to Belgium-Luxembourg by 43 percent. United States tobacco exports to Sweden held about even, but those to France and Denmark dropped 43 and 46 percent, respectively. Those to Switzerland, Eire, and Norway fell 19, 12, and 6 percent. United States exports to Italy were only about 1/2 million pounds in the 8 months ending February 28, 1947, but in the recent 8 months were about 12 million pounds. Export-Import Bank loans bolstered United States tobacco exports to Italy. In the same periods, exports to Portugal increased by 15 percent.

China, India, Australia, and New Zealand are among the non-European countries which are important customers of United States tobacco. In the 8 months ending February 29, United States exports to China declined by about 60 percent below a year earlier. Before the war, China was the second ranking importer of United States tobacco. For calendar year 1946, she again ranked next to the United Kingdom, but for calendar year 1947, yielded second place to the Netherlands. Economic and financial aid to China under the Foreign Assistance Act of 1948 will probably increase United States tobacco exports to some extent. Australia and New Zealand during the recent 8 months took substantially larger quantities of United States tobacco than in the same period of the preceding year, but India took only about two-fifths as much.

The relative composition of United States tobacco exports by class has changed somewhat from prewar. In 1947, flue-cured comprised 79 percent of total unmanufactured exports compared with the 74 percent average for 1934-38. Burley exports increased from about 2 1/2 percent to 8 1/2 percent of total tobacco exports from 1934-38 to 1947 while the proportion of Kentucky-Tennessee fire-cured fell from 12 to 4 percent. The proportions of Maryland, Virginia fire-cured, Green River, Black Fat, Dark African and Water Baler, stems, trimmings, and scrap also fell, while those of One Sucker and cigar leaf were up.

2/ Computed at February 1948 foreign exchange rate 403.11 cents per pound sterling.

Table 1.- United States exports of unmanufactured tobacco by types
and to principal importing countries for specified
periods with percentage comparisons

(declared weight)								
Type and country	Calendar year			1947 as percentage of		January-February		
	1934-38 average	1946	1947	1934-38 average	1946	1934-38 average	1947	1948
	Mil. lb.	Mil. lb.	Mil. lb.	Percent	Percent	Mil. lb.	Mil. lb.	Mil. lb.
Flue-cured	324.9	545.7	399.1	123	73	48.7	98.3	45.6
Burley	11.6	35.1	43.0	371	123	1.8	3.5	2.4
Maryland	5.5	6.4	6.3	115	98	1.1	.8	.8
Va. fire-cured	9.7	7.7	7.6	78	99	1.9	1.5	1.5
Ky.-Tenn. "	53.7	30.6	21.3	40	70	7.2	2.9	2.2
One Sucker	0.7	3.7	2.0	286	54	.1	.2	.2
Green River	3.0	2.5	1.5	50	60	.6	.4	.1
Bl. fat, etc.	9.0	5.7	4.9	54	86	1.3	.6	.8
Cigar	1.3	5.0	6.1	469	122	.1	.6	1.0
Perique	0.1	0.2	0.1	100	50	1/	1/	1/
Stems, tr., scrap	17.8	20.6	14.2	80	69	3.0	.9	2.4
Total unmg.	437.3	663.2	506.1	116	76	65.8	109.7	57.0
<u>Country of destination:</u>								
United Kingdom	213.9	364.3	198.0	93	54	27.6	51.1	11.2
France	21.0	27.7	10.2	49	37	2.2	1.0	.1
Belgium -								
Luxembourg	15.5	29.2	19.9	128	68	2.2	4.1	3.2
Netherlands	15.6	29.4	55.0	353	187	3.3	20.4	4.7
Germany	12.8	—	—	—	—	2.0	—	.2
Portugal	4.8	10.0	6.9	144	69	.8	2.5	3.9
Denmark	4.6	5.2	10.1	220	194	.5	3.0	.3
Eire	7.4	15.4	15.5	209	101	1.4	1.7	1.1
Switzerland	3.8	15.8	10.9	287	69	.7	2.4	4.0
Norway	4.7	10.9	6.9	147	63	.4	1.7	2.5
Sweden	7.2	12.1	16.6	231	137	1.4	2.2	.9
Italy	1.1	0.3	19.1	1,736	6,367	.2	.5	—
China	48.2	61.8	39.8	83	64	8.1	4.5	8.1
Australia	18.4	17.3	23.1	126	134	3.2	4.3	6.8
India	2.6	10.6	11.4	438	108	.4	2.0	1.2
New Zealand	2.5	6.4	5.3	212	83	.4	.8	.6
Other countries	53.2	46.8	57.4	108	123	11.0	7.5	8.2
Total	437.3	663.2	506.1	116	76	65.8	109.7	57.0

1/ Less than 500,000 pounds.

Before the war, tobacco was the second most important agricultural export. Because of the great need for food in many overseas areas, the value of tobacco exports has been somewhat lower in relation to the total value of United States agricultural exports. Tobacco was fifth in each of the last 2 calendar years. The following table illustrates the changes in importance of various commodities:

	1936-38 average	1946	1947	1936-38 average	1946	1947
	Million dollars			Percent		
Agricultural exports:	778	3,141	3,172	100.0	100.0	100.0
Cotton	313	537	416	40.2	17.1	13.1
Tobacco	143	352	271	18.4	11.2	8.5
Fruits and vegetables	98	296	279	12.6	9.4	8.8
Wheat and wheat flour	62	610	899	8.0	19.4	28.4
Meats, etc.	43	434	227	5.5	13.8	7.2
Dairy products	6	449	338	0.8	14.3	10.6
Other	113	463	742	14.5	14.8	23.4

The 1947 dollar value of total agricultural exports was over 4 times the annual average 1936-38 while the value of tobacco exports was less than twice as much.

FLUE-CURED TYPES 11-14

Prospective Acreage Down Due to Reduced Allotments

On March 1, farmers' planned 876,000 acres of flue-cured, 26 percent less than the 1,183,000 acres harvested in 1947. The 1948 prospective acreage represented 96 percent of the 909,000 national acreage allotment for 1948. The allotment was decreased sharply after large supplies were built up and foreign buying was sharply reduced during 1947-48. The intended 1948 acreage is a little less than 2 percent larger than the 1934-38 average harvested acreage. However, there is some variation by producing areas. The Old and Middle Belt (type 11) and Eastern North Carolina (type 12) intended acreages were about 3 percent lower while those of South Carolina (type 13) and Georgia-Florida (type 14) were 9 and 22 percent higher than the 1934-38 average.

If farmers' intentions are carried out and yields are equal to the recent 5-year average of 1,070 pounds per acre, the 1948 crop will approximate 940 million pounds. This would be about 29 percent below the 1947 crop but 27 percent above the 1934-38 average.

Domestic Consumption High, Exports Fall off

Primarily because of the high rate of cigarette consumption, the domestic use of flue-cured during the July 1947-June 1948 marketing year probably will be near 675 million pounds, slightly above the 662 million pounds in the preceding year. Flue-cured exports during 1947-48 have fallen sharply below those of 1946-47. Total flue-cured exports during the marketing year ending June 30 are not expected to exceed 375 million pounds (farm-sales weight) compared with 551 million in the preceding year. Total disappearance

of 1,050 million pounds during the current marketing year would result in a carry-over on July 1 of about 1,565 million pounds, approximately one-fifth larger than the 1,287 million on July 1, 1947. If 1948 production is 940 million pounds--1943-47 average yields on March 1 intended acres--the total supply of flue-cured leaf for the 1948-49 marketing year would be a little more than 2,500 million pounds, second only to the record supply of 2,618 million pounds for 1946-47.

A firm demand for the 1948 crop is expected. Consumer income is expected to continue high and will keep cigarette consumption large. Under the Foreign Assistance Act of 1948 flue-cured exports to many European countries and China will be increased. Indications are that the United Kingdom, largest foreign taker of flue-cured, will resume purchases in the United States.

About 232 million pounds of 1947 crop were placed under Government loan through the Flue-Cured Tobacco Cooperative Stabilization Corporation compared with the 66 million pounds received from the 1946 crop. Out of total flue-cured receipts, about 80 million pounds have been sold.

Price supports for the 1948 crop will be higher than last year. Rates for support loans are based on 90 percent of parity at the beginning of the marketing season, which is July 1 for the flue-cured. Parity prices for flue-cured have increased 8 percent since mid-1947. The average support level last season was 40.0 cents and the average price for producers' sales at auctions was 41.5 cents.

Table 2.- Flue-cured tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-47 1/

Year	Production	Stocks July 1	Total supply	Disappearance year beginning July 1	Average price per pound
	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Mil. lb.</u>	<u>Cents</u>
Average					
1934-38	741.0	844.9	1,585.9	704.3	22.9
1939	1,170.9	946.3	2,117.2	707.5	14.9
1940	759.9	1,409.7	2,169.6	576.7	16.4
1941	649.6	1,592.9	2,242.5	783.0	28.1
1942	811.7	1,459.5	2,271.2	892.4	38.4
1943	790.2	1,378.8	2,169.0	980.2	40.2
1944	1,087.3	1,188.8	2,276.1	1,149.8	42.4
1945	1,173.5	1,126.3	2,299.8	1,152.4	43.6
1946 <u>2/</u>	1,352.0	1,147.4	2,499.4	1,212.6	48.3
1947 <u>2/</u>	1,331.3	1,286.8	2,618.1		

1/ Farm-sales weight.

2/ Preliminary.

BURLEY TYPE 31

Prospective Acreage About
the Same as Last Year

Farmers planned 411,000 acres of Burley as of March 1, nearly the same as last year's harvested acreage. On February 26, the national marketing quota and acreage allotments were increased because the 1947 crop turned out to be smaller than expected earlier. The total acreage allotment for 1948 is approximately 1 percent less than last year. If the average yields of recent years are obtained and the intended acreage on March 1 is harvested, the 1948 crop of Burley will be about 480 million pounds. Actual sales of the 1947 crop have been estimated at 485 million pounds.

Burley Consumption High

Large quantities of Burley are used in cigarette manufacture. Continued high cigarette production will mean a large domestic disappearance of Burley during the current October 1947-September 1948 marketing year. Burley also is used in the manufacture of chewing and smoking tobacco. Plug tobacco is expected to be about the same as last year. Smoking tobacco manufacture for 1947-48, though down moderately since October, probably will be near the level of the preceding year. The 1947-48 domestic use of Burley probably will not differ greatly from the 477 million pounds used in the preceding marketing year. Exports from October to March were down approximately 24 percent from the same period of 1946-47, but declined relatively less than ~~flue-cured~~. Burley exports during the 1946-47 marketing year hit a record of about 50 million pounds (farm-sales weight). As western European countries take the largest share of Burley exports, these exports probably will increase above present levels.

Table 3.- Burley tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-47 1/

Year	Production	Stocks	Total	Disappearance	Average
		October 1	supply	year beginning	price per
	Mil. lb.	Mil. lb.	Mil. lb.	October 1	pound
				Mil. lb.	Cents
Average					
1934-38	287.2	700.9	988.1	314.5	22.2
1939	395.3	684.0	1,079.3	317.1	17.3
1940	376.6	762.2	1,138.8	340.8	16.2
1941	336.9	798.0	1,134.9	379.6	29.2
1942	343.5	755.3	1,098.8	412.8	41.8
1943	392.1	686.0	1,078.1	426.9	45.6
1944	590.6	651.2	1,241.8	482.8	44.0
1945	577.2	759.0	1,336.2	482.9	39.4
1946 2/	614.0	853.3	1,467.3	526.5	39.7
1947 2/	518.6	940.8	1,459.4		

1/ Farm-sales weight.
 2/ Preliminary.

Total Burley disappearance, including domestic use and export, during the current marketing year probably will be around 520 million pounds or a little less than the 526 million disappearance in 1946-47. Carry-over on September 30, 1948, will probably be lower than last year's 941 million pounds. If the 1948 crop approximates 480 million pounds--1943-47 average yields on March 1 indicated acreage--the total supply of Burley for 1948-49 will be lower than for each of the previous 2 years, though higher than for any other year.

Auction Prices of 1947 Burley Set Record

The strong demand for the high quality 1947 Burley crop lifted the general average of auction prices to a new high of 48.3 cents per pound compared with 39.7 cents for the 1946 crop. The highest points reached previously were in 1943 and 1944 when the season averages were 45.6 and 44.0 cents per pound, respectively. The 1947 crop contained a large proportion of thin-bodied smoking grades, which were in strong demand by cigarette companies. The 1947 support price, based on 90 percent of parity October 1, was 40.3 cents per pound. A little less than 38 million pounds or about 7 1/2 percent of gross sales were placed under Government loan.

Loan rates for the 1948 crop are likely to be higher than for 1947 because of the rise in parity prices. Parity prices are related to the ups and downs of prices farmers have to pay for living and production items. If the October 1, 1948 parity is the same as in April, the average loan rate would be 42.1 cents or 4 1/2 percent above last season's support. Demand in the season ahead is expected to be strong.

MARYLAND TYPE 32

Maryland Market Prospects

Auction sales of the 1947 Maryland crop will begin May 11. In December, the crop was estimated at 38.4 million pounds, 18 percent below the record 1946 crop. The stocks of Maryland in the hands of dealers and manufacturers on January 1, 1948 totaled 44.7 million pounds (farm-sales weight)--nearly 38 percent above January 1, 1947 when they were the lowest since 1933. The 1947 crop plus stocks on January 1 gives a total supply of 83.1 million pounds for 1948 compared with 79.4 million last year.

Domestic use of Maryland is mostly in cigarettes. Cigarette production is expected to continue at last year's high level. A little more than 28 million pounds of Maryland were consumed in the United States in 1947, 9 percent more than in 1946 and 36 percent more than 1934-38 average. Cigarette production in 1947 increased 5 percent above 1946, but was 127 percent above the 1934-38 average. Exports of Maryland during 1947 totaled 6.6 million pounds (farm-sales weight) compared with 6.7 million in 1946. Annual exports for the last 2 years, though above the late thirties, were well below those of the late twenties and early thirties. Switzerland, France, and Netherlands take substantial quantities of Maryland tobacco and these countries among others may be expected to maintain or increase their imports of Maryland tobacco.

Sales during 1947 on the Maryland tobacco auctions, mostly 1946 crop, and on the hogshead market in Baltimore averaged 44.3 cents per pound compared with 57.0 cents in 1946 when the small 1945 crop was sold. The 1934-38 average price was 19.7 cents per pound.

1948 Intended Acreage
Down 8 Percent

The March 1 intentions of Maryland growers were for 44,200 acres of tobacco in 1948, 8 percent below the 48,000 acres harvested in 1947. Tobacco yields per acre in Maryland have fluctuated sharply in the last 5 years. If the 1948 per acre yield is close to 1938-47 average of 767 pounds per acre, total production this year would be about 34 million pounds compared with about 38 million in 1947.

Table 4.- Maryland tobacco: Domestic supplies, disappearance, and season average prices, average 1934-38 annual 1939-47 1/

Year	Production	Stocks January 1 of following year	Total supply	Disappearance year beginning Jan. 1 of the following year	Average price per pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents
Average					
1934-38	27.5	38.4	65.9	27.5	19.7
1939	32.8	36.3	69.1	25.9	21.1
1940	32.6	43.2	75.8	30.8	33.0
1941	31.2	45.0	76.2	28.5	30.1
1942	28.1	47.7	75.8	32.0	56.5
1943	20.8	43.8	64.6	27.0	45.3
1944	38.2	37.6	75.8	29.3	55.5
1945	18.4	46.5	64.9	32.5	57.0
1946 2/	47.0	32.4	79.4	34.7	44.3
1947 2/	38.4	44.7	83.1		

1/ Farm-sales weight.

2/ Preliminary.

FIRE-CURED TYPES 21-24

1948 Acreage Intentions Down

Farmers reported on March 1 an intended fire-cured acreage of 63,500 acres, 26 percent less than last year's harvested acreage and more than 50 percent below the 1934-38 average. Virginia fire-cured (type 21) was 20 percent lower. Kentucky-Tennessee, types 22 and 23, were 26 and 28 percent lower, respectively. Individual farm allotments were decreased 35 percent in line with the reduced marketing quota announced last November. Since producers planted substantially fewer acres in 1947 than the acreage allotted, the percentage decline of 1948 intended acreage below the 1947 harvested acreage is less than that of individual farm allotments.

If the intended acreage is harvested and yields equal the 1943-47 average of 1,037 pounds per acre, total fire-cured production will be about 66 million pounds, around one-fourth less than 1947 production.

Supplies Large, Not Much
Change in Disappearance

The total supply of fire-cured tobacco for the current year exceeds the previous 2 years. The principal domestic use of fire-cured is in snuff. Since last October, it has been consumed at a rate 4 percent above the same period in 1946-47. Exports of fire-cured in the current marketing year have been running about 13 percent below the same months a year ago. Before the war, exports were about 57 percent of the total marketing year disappearance of fire-cured. In 1946-47, 34 million pounds (farm-sales weight) were exported, 48 percent of the total disappearance of 71 million pounds. Total disappearance during 1947-48 may be 75 million pounds. Exports are expected to be higher in the next few months than in recent months.

Carry-over of fire-cured tobacco next October 1, the beginning of the marketing year, will probably be around 160 million pounds. If a 66 million-pound crop is produced in 1948, total supplies of 226 million pounds for 1948-49 will be a little lower than the 1946-47 level.

Price Supports Important in 1947
Marketing Season

A considerable proportion of each of the fire-cured types was placed under Government loans during the 1947 marketing season. The support price was 30.2 cents per pound, one-fifth higher than in the preceding season. About 35 percent of the Virginia fire-cured gross sales were delivered to the Associations for loans. The average price for the 1947 auction sales was 28.9 cents per pound, about 1/2 cent below last season. Prices by grades were generally higher, but a larger proportion of lower grades in the crop pulled the over-all average down.

Around one-third of the Kentucky-Tennessee Eastern District fire-cured, type 22, was placed under Government loans. The average auction price was 30.0 cents per pound compared with 26.5 cents last season. The deliveries of Kentucky-Tennessee Western District fire-cured, type 23, for Government loans were particularly heavy. More than one-half of this type was placed under Government loans during the recent marketing season. The average auction price was 27.2 cents per pound compared with 22.2 cents last season. The quality of the crop was better than last year.

In January, the Department of Agriculture announced that the Commodity Credit Corporation would contract with designated companies to procure tobacco for the French Tobacco Monopoly. This tobacco was to be purchased by the Monopoly with the first dollar funds available to it for buying such types. About 4.5 million pounds of type 22 and 1.7 million pounds of type 23 were purchased under this program.

The support price for the 1948 crop is likely to be above that for the 1947 crop because of the rise in Burley parity prices. The fire-cured support is 75 percent of the Burley loan rate, which is 90 percent of the applicable parity price of Burley. If the October 1, 1948 Burley parity price is the same as the April level, the average loan rate for fire-cured would be 31.6 cents per pound compared with the 30.2 cents support during the season just completed. Export demand is expected to be stronger.

Table 5.- Dark tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-47 ^{1/}

Year	Production	Stocks October 1	Total supply	Disappearance: year beginning October 1	Average price per pound Cents
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	
<u>Fire-cured</u>					
Total types 21-24					
Average					
1934-38	110.2	194.2	304.4	123.0	10.2
1939	99.3	136.2	235.5	93.9	10.6
1940	106.5	141.6	248.1	64.2	9.5
1941	69.7	183.9	253.6	69.0	14.1
1942	71.5	184.6	256.1	76.3	17.1
1943	64.9	179.8	244.7	71.2	23.4
1944	66.1	173.5	239.6	107.8	24.5
1945	58.3	131.8	190.1	85.2	31.5
1946 ^{2/}	109.8	104.9	214.7	71.3	26.0
1947 ^{2/}	91.3	143.4	234.7		
<u>Dark air-cured</u>					
Total types 35-37					
Average					
1934-38	35.5	62.8	98.3	39.0	9.4
1939	44.2	56.1	100.3	34.7	7.3
1940	42.5	65.6	108.1	33.6	7.7
1941	31.5	74.5	106.0	42.0	12.0
1942	35.2	64.0	99.2	33.9	15.2
1943	30.0	65.3	95.3	37.6	27.2
1944	44.9	57.7	102.6	42.2	23.3
1945	43.6	60.4	104.0	43.6	25.2
1946 ^{2/}	48.7	60.4	109.1	36.4	22.5
1947 ^{2/}	41.0	72.7	113.7		

^{1/} Farm-sales weight.

^{2/} Preliminary.

DARK AIR-CURED TYPES 35-37

Smaller 1948 Acreage of One Sucker and Green River

On March 1, growers of One Sucker, type 35, planned to cut acreage 12 percent below that harvested last year. The Green River, type 36, intended acreage is 22 percent less than last year's harvested acreage. Most of these dark air-cured types is grown in Kentucky and Tennessee. Individual farm allotments were decreased 25 percent in line with the reduced marketing quota announced last November. Since producers grew substantially less than the acreage allotted in 1947, the percentage decline of the 1948 intended acreage below the 1947 harvested acreage is less than that of individual farm allotments. Compared with prewar acreages, the decline in Green River has been much sharper than One Sucker.

Virginia sun-cured, type 37, is a non-quota type produced in much smaller volume. The acreage intentions on March 1 were 7 percent above the 1947 harvested acreage but 9 percent below the 1934-38 average.

If the intended acreage is harvested and yields of the combined dark air-cured types equal the 1943-47 average of 1,078 pounds per acre, total production of dark air-cured tobacco will be about 34 million pounds or around one-sixth less than the 1947 production.

Supplies Large, Disappearance
Below Prewar

The total supply of dark air-cured tobacco for the current year is the largest since 1934. Since chewing, the principal domestic outlet for dark air-cured, in recent months has declined moderately below the same period a year ago, domestic use during 1947-48 may be below 1946-47. Total disappearance this year is estimated at around 35 million pounds, a little below 1946-47 and 10 percent lower than the 1934-38 average.

Carry-over of dark air-cured tobacco next October 1, the beginning of the marketing year, probably will be between 75 and 80 million pounds compared with 73 million last October 1. If a 34 million-pound crop is produced in 1948, total supplies for 1948-49 will be approximately the same as for the current year.

Price Supports Important
in 1947 Marketing Season

The support price for the 1947 crop of dark air-cured, types 35-37, was 26.9 cents per pound, one-fifth higher than in the preceding season. Substantial quantities were placed under Government loans--39 percent of gross sales for One Sucker and 46 percent of Green River. Approximately three-quarters of a million pounds of One Sucker were purchased under the program agreed on by the French Monopoly and the Commodity Credit Corporation. Only about 7 percent of the Virginia sun-cured was received for Government loans.

The average auction price for One Sucker was 25.8 cents per pound or 16 percent above last season. Prices of Green River at auctions averaged 25.4 cents per pound, 13 percent above last season. The largest price increase over last season in the dark air-cured types was made by Virginia sun-cured at the Richmond market which averaged 28.8 cents or 18 percent higher. The price-support program for type 37 operated for the first time last season. A much smaller volume of type 37 was marketed than in the previous season. About 111,000 pounds of type 37 was marketed at fire-cured markets for an average of 20.8 cents.

The support price for the 1948 crop of dark air-cured is likely to be above that for 1947 because of the rise in Burley parity prices. The mandatory level is $66 \frac{2}{3}$ percent of the average Burley loan rate, which is based on 90 percent of the Burley parity on October 1. If the October 1, 1948 parity price is the same as in April, the average loan rate would be 28.1 cents per pound compared with 26.9 cents for the 1947 season.

Little change is expected in domestic use of dark air-cured tobacco over the next year, but export demand may be stronger.

CIGAR TOBACCO

1948 Acreage Prospects for Filler
About Same, Binder Down, Wrapper up

According to the March prospective planting report, the slight decrease in Pennsylvania Seedleaf, type 41, acreage will be offset by the 10 percent increase in Ohio filler, types 42-44. Total intended acreage of continental cigar filler is 45,000 compared with 44,800 acres harvested last year. The 1948 intended acreage of filler is 16 percent larger than the 1934-38 average harvested acreage. While Pennsylvania acreage of type 41 has increased substantially since the years just prior to the war, Ohio acreage of types 42-44 decreased sharply.

Growers of binder tobacco types 51-56, plan to cut acreage below 1947 in some areas. In total, it will be 6 percent down from last year. The sharpest drops are in New York and Pennsylvania Havana Seed, type 53, and Southern Wisconsin, type 54--about one-fifth in both instances. Northern Wisconsin, type 55, intended acreage is only slightly lower than 1947. The Connecticut Valley Broadleaf, type 51, prospective acreage is about 6 percent below last year while Havana Seed, type 52, is up about 1 percent. Compared with the 1934-38 average, the 1948 intended acreage of total binder is up nearly 40 percent with the greatest relative increase in Connecticut Valley Havana Seed, New York and Pennsylvania Havana Seed, and Northern Wisconsin.

The March 1 intentions for cigar wrapper indicate a 13 percent increase over 1947. Connecticut Valley shade grown, type 61, was up 16 percent and Georgia-Florida shade grown, type 62, 7 percent. The 15,500 acres planned for 1948 is far above 1934-38 average of 8,900 acres. Both types 61 and 62 increased approximately 75 percent since the years just prior to the war.

If the 1948 yield per acre is the same as the 1943-47 average for each of the three classes of cigar tobacco, production on the 1948 intended acreage will be about 63 million pounds of filler, 63 million pounds of binder, and between 15 and 16 million pounds of wrapper. Compared with 1947 production, filler would be down 6 percent and binder 5 percent, but wrapper would be up around 16 percent.

Cigar Tobacco Supplies

Total use of cigar filler tobacco types 41-44, may be less than the 71 million pounds used in the previous year. Total supply for 1948-49, if 63 million pounds are harvested this year, will be slightly lower than the 190 million pounds of 1946-47.

Disappearance of cigar binder during the current year will probably be between 60 and 65 million pounds. Total supplies of cigar binder for 1948-49, if 63 million pounds are produced--1943-47 average yields on intended acres--would be about the same as the 190 million pounds of 1946-47. Exports of cigar tobacco since last September have been about 13 percent below the high rate of 1945-46, which was the highest since records by kind of tobacco were first kept in 1923-24.

Table 6. - Cigar tobacco: Domestic supplies, disappearance, and season average price, average 1934-38, annual 1939-47 ^{1/}

Year and type	Production	Stocks October 1	Total supply	Disappearance year beginning October 1	Average price p 2/ : pound
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Cents
Total filler types					
41-44 ^{3/}					
Average 1934-38	48.2	158.8	207.0	53.8	10.4
1939	62.4	139.4	201.8	53.1	11.7
1940	64.7	148.7	213.4	56.4	11.9
1941	71.2	157.0	228.2	61.4	12.4
1942	53.8	166.8	220.6	67.0	13.2
1943	47.0	153.6	200.6	55.2	18.6
1944	58.8	145.4	204.2	61.3	19.5
1945	49.9	142.9	192.8	64.1	34.0
1946 ^{4/}	64.4	128.7	193.1	70.9	32.8
1947 ^{4/}	67.6	122.2	189.8		
Total binder types					
51-56					
Average 1934-38	41.8	165.1	206.9	60.5	12.5
1939	63.3	116.6	179.9	45.0	16.6
1940	67.9	134.9	202.8	66.1	14.5
1941	61.6	136.7	198.3	60.4	16.9
1942	55.1	137.9	193.0	66.3	20.3
1943	51.0	126.7	177.7	69.2	30.3
1944	57.2	108.5	165.7	63.4	30.9
1945	62.1	102.3	164.4	60.9	47.7
1946 ^{4/}	70.9	103.5	174.4	50.7	51.8
1947 ^{4/}	65.8	123.7	189.5		
Total wrapper types					
61-62					
Average 1934-38	8.4	11.8	20.2	9.3	78.3
1939	11.4	10.1	21.5	7.9	67.7
1940	9.5	13.6	23.1	10.4	77.6
1941	10.1	12.7	22.8	9.6	98.4
1942	9.2	13.2	22.4	9.4	132.1
1943	10.0	13.0	23.0	8.7	168.0
1944	11.3	14.3	25.6	10.9	196.0
1945	11.2	14.7	25.9	12.3	197.0
1946 ^{4/}	12.4	13.6	26.0	12.6	234.0
1947 ^{4/}	13.2	13.4	26.6		

^{1/} Farm-sales weight.

^{2/} Stocks and disappearance for types 56, 61, and 62 are as of July 1.

^{3/} A small quantity of type 45 for 1939 and 1940 not included.

^{4/} Preliminary.

Use of domestic wrapper, types 61-62, in the July 1947-June 1948 marketing year may exceed the 12.6 million pounds in 1946-47. However, this year's expected production increase will result in total supplies for 1948-49 somewhat above those of 1947-48. Use of domestic wrapper is likely to increase somewhat because supplies of Sumatra and Java, which were imported prior to the war, are not likely to be available except in limited quantities for some time.

Cigar Tobacco Prices

Prices of 1947 Pennsylvania filler after an uncertain season averaged close to 1946 while Ohio types were slightly lower, according to reports thus far. Connecticut Valley Havana Seed prices this season were moderately higher than those in 1946 while, because of pole sweat damage, the average of the Broadleaf fell sharply below last season. Type 53, New York and Pennsylvania Havana Seed prices fell off quite sharply from last season. Reported prices for Southern Wisconsin, type 54, also were below those of a year ago. The early marketings of some Northern Wisconsin, type 55, were higher than last year's prices but dropped below 1946-47 as the season progressed.

Cigar Tobacco Imports and Puerto Rican Shipments

In 1947, imports of cigar filler mostly Cuban (stemmed and unstemmed) for consumption totaled 21.9 million pounds, 12 percent more than in 1946 and nearly double the prewar average. Cigar wrapper imports for consumption in 1947 were nearly 1.4 million pounds or 15 percent above 1946 but were still one-third lower than the 1934-38 average largely because of the unavailability of Sumatra and Java wrapper. Cigar scraps and stems imports for consumption in 1947 were 32 percent larger than in 1946.

Shipments of Puerto Rican tobacco to the United States in 1947 were 15.1 million pounds, 40 percent below those of 1946. Stocks of Puerto Rican tobacco on January 1, 1948, in the United States were 12 percent lower than a year earlier, but those in Puerto Rico were 3 percent larger.

Table 7.-Production of manufactured tobacco in the United States,
1937-41 average and annual 1942-47

Calendar year	Chewing					Smoking	Snuff
	Plug	Twist	Fine cut	Scrap	Total		
	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.	Mil. lb.		
1937-41 av.	52.6	5.9	4.7	43.4	106.6	198.7	38.0
1942	54.3	6.0	5.1	48.3	113.7	175.7	41.0
1943	58.9	6.3	4.5	51.4	121.1	162.8	43.2
1944	61.7	6.5	4.1	52.9	125.2	139.9	42.0
1945	59.7	6.7	4.0	47.7	118.1	168.5	43.8
1946	51.8	5.8	3.8	46.2	107.6	105.9	39.4
1947	47.4	5.2	3.7	42.2	98.5	104.6	39.3
	Percentage change						
1946 to 1947:	-8.5	-10.3	-2.6	-8.7	-8.5	-1.2	-.3
1937-41 to 47:	-9.9	-11.9	-21.3	-2.8	-7.6	-47.4	+ 3.4

Table 8.- Acreage of tobacco in the United States,
by types, 1934-38 average; 1947 and 1948.

Type	Percentage change			Percentage change	
	1934-38	1947	1948	1934-38	1947 to 1948
	1,000	1,000	1,000	Percent	Percent
	acres	acres	acres		
Total flue-cured, types 11-14:	863.1	1,183.2	876.5	+1.6	-25.9
Old and Middle Belt, type 11	327.1	425.0	316.0	-3.4	-25.6
Eastern North Carolina, type 12	296.6	395.0	288.0	-2.9	-27.1
South Carolina, type 13	155.7	230.0	170.0	+9.2	-26.1
Georgia and Florida, type 14	83.7	133.2	102.5	+22.5	-23.0
Total fire-cured, types 21-24:	135.2	85.5	63.5	-53.0	-25.7
Virginia, type 21	23.1	15.1	12.1	-47.6	-19.9
Kentucky and Tennessee, type 22	76.7	49.0	36.1	-52.9	-26.3
Kentucky and Tennessee, type 23	32.4	21.2	15.2	-53.1	-28.3
Henderson, type 24	3.0	.2	.1	-96.7	-50.0
Burley, type 31	347.2	418.7	410.8	+18.3	-1.9
Maryland, type 32	36.7	48.0	44.2	+20.4	-7.9
Total dark air-cured, types 35-37:	42.0	37.1	31.7	-24.5	-14.6
One Sucker, type 35	19.9	20.8	18.2	-8.5	-12.5
Green River, type 36	18.3	13.5	10.5	-44.1	-22.2
Virginia sun-cured, type 37	3.3	2.8	3.0	-9.1	+7.1
Total cigar filler, types 41-44:	38.0	44.8	45.0	+18.4	+.4
Pennsylvania Seedleaf, type 41	23.4	38.8	38.4	+64.1	-1.0
Miami Valley, types 42-44	14.6	6.0	6.6	-54.8	+10.0
Total cigar binder, types 51-56	3/29.9	43.7	40.9	+36.8	-6.4
Connecticut Valley Broadleaf, type 51	7.2	9.0	8.5	+18.1	-5.6
Conn. Valley Havana Seed, type 52	5.4	8.1	8.2	+51.9	+1.2
N. Y. and Pa. Havana Seed, type 53	.7	1.4	1.1	+57.1	-21.4
Southern Wisconsin, type 54	8.9	10.4	8.3	-6.7	-20.2
Northern Wisconsin, type 55	6.7	14.5	14.4	+114.9	-.7
Georgia and Florida sun-grown, type 56	3/1.0	.3	.4	-60.0	+33.3
Total cigar wrapper, types 61-62	8.9	13.7	15.5	+74.2	+13.1
Conn. Valley shade-grown, type 61	6.3	9.4	10.9	+73.0	+16.0
Ga. and Fla. shade-grown, type 62	2.6	4.3	4.6	+76.9	+7.0
Louisiana Perique, type 72	.3	.6	.3	--	-50.0
Total all types	1,501.3	1,875.3	1,528.4	+1.8	-18.5

1/ Preliminary.

2/ Farmers' intentions as of March 1.

3/ Includes a small amount of type 45 supplanted by type 56.

Table 9.- Cash receipts from farm marketings 1/

Calendar year	Tobacco	Crops other than tobacco	Livestock and products	Total cash receipts	Tobacco as percent of Total cash receipts	Total cash receipts as percent of Total cash receipts
	Mil. dol.	Mil. dol.	Mil. dol.	Mil. dol.	Percent	Percent
1935-39	274	3,153	4,546	7,973	8.0	3.4
1940	242	3,229	4,895	8,366	7.0	2.9
1941	321	3,855	6,474	11,190	6.8	2.9
1942	476	5,855	9,058	15,389	7.5	3.1
1943	539	7,441	11,479	19,459	6.8	2.8
1944	688	8,350	11,333	20,371	7.6	3.4
1945	898	8,640	11,979	21,517	9.4	4.2
1946	954	9,897	13,668	24,519	8.8	3.9
1947	1,001	12,124	17,050	30,175	7.6	3.3
1947 as percent of 1935-39	365	385	375	378	---	---
1947 as percent of 1946	105	123	125	123	---	---

1/ Calendar year receipts are composed of income from parts of two crops and should not be confused with the value of a particular year's production.

Table 10.-Tax-paid withdrawals of tobacco products in the United States calendar years 1946, 1947, and January-March 1947-48 1/

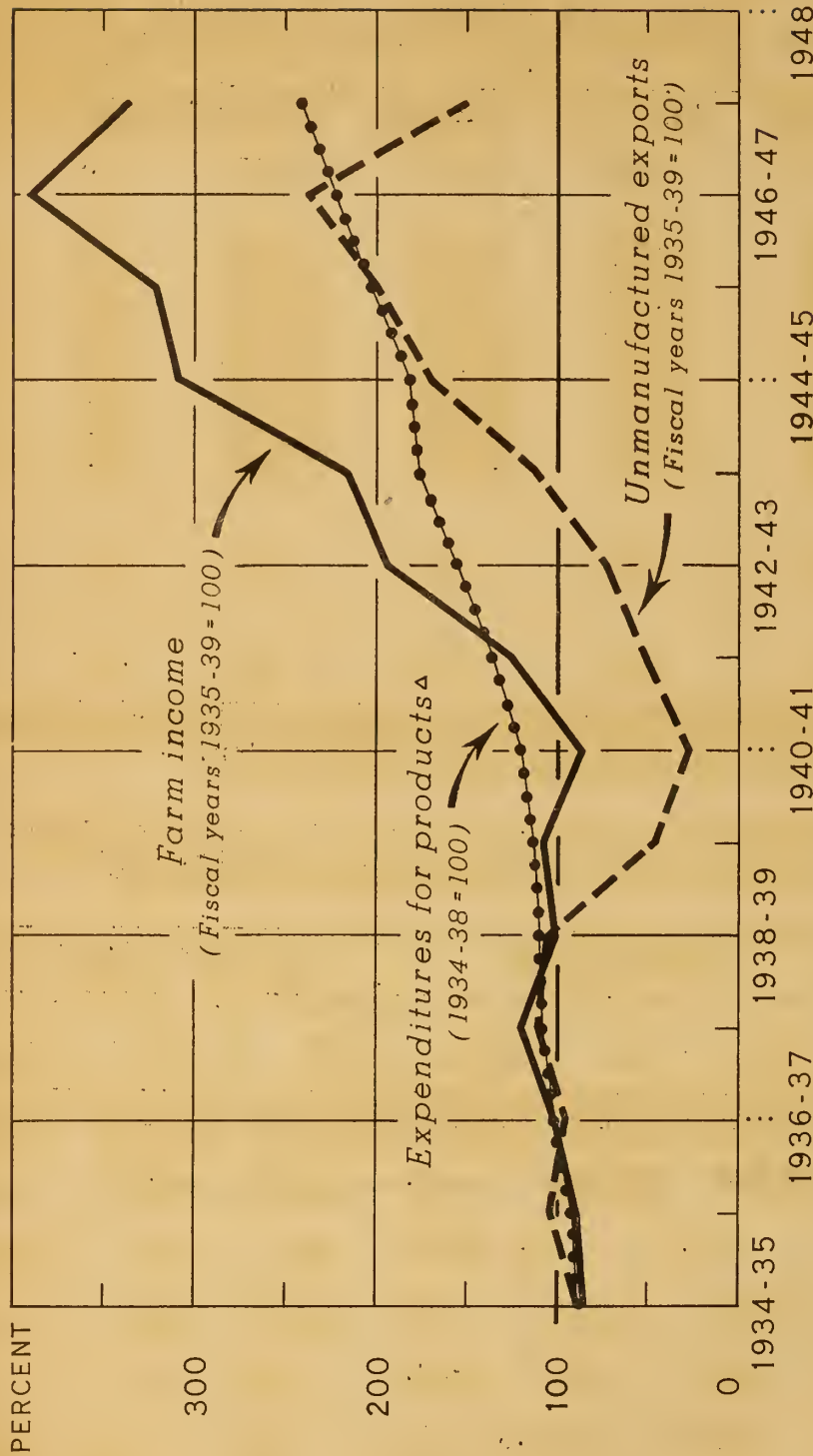
Products	Calendar year			January - March		
	1946	1947	Change	1947	1948	Change
	Millions	Millions	Percent	Millions	Millions	Percent
Small cigarettes	321,474	335,964	+4.5	81,125	79,782	-1.7
Large cigarettes	1.0	.5	-50.0	<u>2/</u>	<u>2/</u>	+ 59.7
Large cigars	5,914	5,631	-4.8	1,387	1,392	+0.4
Small cigars	93	81	-12.9	23	23	.0
Snuff <u>3/</u>	39.7	39.3	-1.0	9.4	10.8	+14.9
Manufactured tobacco <u>3/</u>	211.1	199.2	-5.6	46.8	47.1	+0.6

1/ Based on sales of revenue stamps, and includes products from Puerto Rico.

2/ 101,350 in 1947 and 161,820 in 1948.

3/ Million pounds.

TOBACCO: INDEX NUMBERS OF FARM INCOME FROM TOBACCO, VALUE OF EXPORTS, AND EXPENDITURES FOR TOBACCO PRODUCTS, 1935-48 (FISCAL YEARS*)



*EXPENDITURES FOR TOBACCO PRODUCTS ARE ON CALENDAR YEAR BASIS
 Δ INCLUDES EXPENDITURES FOR U.S. CONSUMPTION, EXPORTS, OVERSEAS
 MILITARY USE, AND OTHER TAX-FREE USES

DATA FOR 1947-48 ARE PRELIMINARY AND PARTLY ESTIMATED

U.S. DEPARTMENT OF AGRICULTURE

NEG. 46715

BUREAU OF AGRICULTURAL ECONOMICS

United States farm income from tobacco, expenditures for tobacco products, and the value of unmanufactured tobacco exports have risen substantially above prewar levels. The fiscal year 1946-47 was the peak year of farm income from tobacco and the value of United States tobacco exports. Because of the lack of dollar exchange during 1947-48, foreign customers curtailed purchases and farm income fell below the high point reached in 1946-47. Expenditures for tobacco products (calendar year basis) set a record in 1947. The strong domestic demand for cigarettes was the major factor accounting for the considerable increase in tobacco products expenditures in recent years. Leaf tobacco exports will rise above the 1946-47 level as the European Recovery Program becomes effective.

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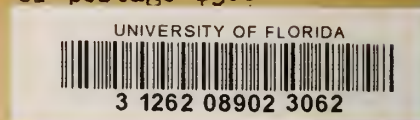
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